

**Minutes of the Regular Meeting of the Alleghany County Water District Board of Directors
Tuesday, November 8th, 2016 Alleghany Firehouse, 105 Plaza Court Alleghany**

Call to Order: 6:05

Quorum Established: Present were Directors: President Rae Bell Arbogast, Vice President Tobyn Mehrmann (arrived late), Robbin DeWeese, Madeleine Hamb, and Oregon Burns Tenney V (O.B) Secretary Baker was absent. ACWD Staff: Water Treatment Operator Bruce Coons & District Meter Reader Bob Hale. Also present: Ernest & Nancy Finney, Vickie Tenney, and Rebecca Wilkerson.

Rae explained that Secretary Baker will be absent through January because of an EMT class that he is taking and asked the board if there were any objections to having the Secretary type the minutes for his minimum fee of \$30 utilizing the meeting recording and written documentation of the motions. There were no objections.

Consent Calendar:

- A. Approval of the Agenda
- B. Reading and approval of the minutes for the Regular meeting dated October 11, 2016 and the Special meeting dated October 25, 2016.
- C. Approval of Treasury Report and Claims for October 2016

Motion made to approve the Consent Calendar by Robbin, Madeleine second. Ayes: Arbogast, DeWeese, Tenney, Hamb. Naves: 0. Absent: Mehrmann Abstain: 0 Vacant: 0. Motion Passed

Public Response Time: There was a question about the Consent Calendar, Rae explained that it was a way to save time by grouping routine items in 1 motion.

A question was asked about the internet billing option, Rae confirmed it was optional.

Information/Discussion Items:

Correspondence: (includes October correspondence that was missed)

Outgoing:

Copy of 15/16 audit report emailed to: Sierra County Auditor Van Maddox, Supervisor Lee Adams, USDA Rural Development Rep. Michael Valez, Pete Stamas of the State Funding division and Stephen Rooklidge.

9/29/16: A copy of insurance company's questions about event at Bucket Club property was sent to Vickie Tenney.

10/25/16: Audit letter approved at Oct. meeting signed and mailed to Boden, Klein and Sneesby.

10/26/16: copy of Water bible cover and "management" page sent to V. Tenney.

11/8/16: Copy of final budget emailed to Van Maddox and Lee Adams.

Water Test Results: November Water Test results: Treated was absent, Raw: >200.5 total coliform, E.coli 101.3

President's Report: Report attached to these minutes

Water Treatment Operator Report: Bruce said that the high number of contaminants in the raw water this month was caused by surface water coming from the recent rains. Bruce is doing routine sterilization that is normally done twice a year by him. Bruce said there would be more chlorine in the water for the next couple days.

Historical Church/Library Report: The Concert was held last Saturday and it was pretty successful, raising about \$1700.

Park Report: The grass is green at the park as it is recovering from the drought.

Board member or special committee reports: None

Unfinished Business:

- A. Customer accounts/billings/disconnects: Three 10-day notices mailed on October 15th, all paid.
- B. Ordinances, Policies and Procedures, and Bylaws: Motion made to update bylaws.

Motion to update Bylaws made by Robbin second Madeleine, Ayes: Arbogast, DeWeese Mehrmann, Hamb. Naves: 0. Absent: Mehrmann Abstain: 0 Vacant: 0. Motion Passed

New Business:

- A. Review and Renewal of Secretary contract expiring 12/31/16
Motion renewing the Secretary contract “as is” to 6/30/17 (next fiscal year) made by Robbin, Madeleine second. Ayes: Arbogast, DeWeese, Tenney, Hamb. Naves: 0. Absent: Mehrmann Abstain: 0 Vacant: 0. Motion Passed
- B. Contract for Services: Meter Reader. After discussion, the Board made a motion.
Motion accepting the contract of services for Meter Reader made by Robbin, O.B second. Ayes: Arbogast, DeWeese, Hamb, Tenney. Naves: 0. Absent: Mehrmann Abstain: 0 Vacant: 0. Motion Passed
- C. Approval to borrow funds from Historical Church account as needed to cover loan payment due Dec. 1st.
Motion made by Madeleine, Robbin second. Ayes: Arbogast, DeWeese, Hamb, Naves: Tenney Absent: 0 Abstain: Mehrmann Vacant: 0. Motion Passed

Planning project update: Rae asked if anyone would object to waiting until Tobyn showed up to do the update. There were no objections. Planning project update as attached to these minutes along with Technical Memo form WoodRogers re: 3rd potential well site.

Rae explained that she inquired with the district’s attorney to make sure that the board did not have to approve the third well location, and the attorney agreed with Pete Stamas of the funding division that the funding agreement which was approved by the board provides the authorization to drill up to 3 test locations. Rae asked the board if there were any objections to letting things continue to move forward at the third well location; there was no objection but OB said that he would prefer a different 3rd location. He was encouraged to try to find a suitable location at the south end of town.

Next Regular meeting: Tuesday, December 13th, 6:00 p.m.

Items for next agenda: N/A

There being no further business before the Board, the meeting was adjourned at: 7:00 p.m.

Minutes respectfully submitted by Leslie D. Baker III 

Alleghany County Water District

P.O. Box 860, Alleghany, CA 95910 ~ alleghanywater@gmail.com ~ Phone 530-287-3204

~ Established March 8, 1939 ~

CERTIFICATE OF POSTING

I, Leslie D. Baker III certify that the following document was posted on behalf of Alleghany County Water District, Sierra County California:

Agenda and meeting packet Regular Meeting, Meeting Date 11/8/16

In the following location(s):

Alleghany Post Office Bulletin Board on 11/4/16. (packets put in box for the public)
On the door of the Alleghany Firehouse (meeting location) 11/4/16

Emailed to email list as well on 11/4/16.

A copy of which is attached hereto and by reference made a part herof.

Signed under penalty of perjury: X Leslie D Baker III
Leslie D. Baker III

NOTICE

OF REGULAR MEETING OF THE BOARD OF DIRECTORS OF ALLEGHANY COUNTY WATER DISTRICT

Date: Tuesday November 8, 2016 Time: 6:00 pm
Location: Alleghany Firehouse 105 Plaza Ct. Alleghany

This agenda has been prepared and posted at least 72 hours prior to the regular meeting of the Board of Directors in accordance with the Ralph M. Brown Act. Agenda items are numbered for identification purposes only and will not necessarily be considered in the indicated order. Details and supporting materials concerning agenda items are available for public reference by calling 530-287-3204 or email: alleghanywater@gmail.com

1. Call to Order & Establish a Quorum
2. Consent Calendar
 - a) Approval of the agenda
 - b) Reading and approval of the minutes for the regular meeting dated Oct. 11, 2016 and Special Meeting dated Sept. 25, 2016
 - c) Approval of Treasury Report and Claims for October 2016.
3. Public Response Time –The public may be heard before or during the consideration of any agenda item to be considered by the board, subject to reasonable time limitations for each speaker. Members of the public may address matters under the jurisdiction of the Board of Directors, and not on the posted agenda, provided that no action shall be taken by the board unless the matter is deemed urgent by a 2/3 vote.
4. Information/Discussion Items
 - a) Correspondence
 - b) Water Test Results for November Treated water: Absent Raw Water Total Coliform >200.5 E. coli 101.3
 - c) President's Report
 - d) Water Treatment Operator Report
 - e) Historical Church/Library Report
 - f) Park Report
 - g) Board member or special committee reports
 - h) Planning Project Update
5. Unfinished Business (Discussion & Possible Action Items):
 - a) Customer Accounts/Billings/Disconnects Three 10-day notices were mailed on October 15th – all paid.
 - b) Ordinances, Policies & Procedures and Bylaws: see attached proposed by-law changes.
 - c) Event at Bucket-Club Property
6. New Business (Discussion & Possible Action Items):
 - a) Review & Renewal of Secretary contract expires 12/31/16
 - b) Meter reader contract for services
 - c) Approval to borrow funds from Historical Church account as needed to cover loan payment due Dec. 1st.
Note: if it was not for the major pump repair in July our cash-flow would have covered this.
7. Next meeting date, Items for next Agenda & Adjournment. Items for next meeting agenda: Committee of the whole scheduled for _____ to go over Policies and Procedures, Next regular meeting December 13, 2016

Upon request, Agendas will be made available in alternative formats to accommodate persons with disabilities. Please make your request to District Secretary, P.O. Box 860, Alleghany CA 95910 specifying your disability and the format in which you would like to receive this Agenda and future Agendas as well.

**Minutes of the Regular Meeting of the Alleghany County Water District Board of Directors
Tuesday, October 11th, 2016 Alleghany Firehouse, 105 Plaza Court Alleghany**

Call to Order: 6:05 pm

Quorum Established: Present were Directors: President Rae Bell Arbogast, Vice President Tobyn Mehrmann, Robbin DeWeese, and Madeleine Hamb. Oregon Burns Tenney V (O.B) was absent. Secretary Baker was present and took the minutes. ACWD Staff: Water Treatment Operator Bruce Coons, Water Distribution Assistant Ed Snyder, and District Bookkeeper Edda Snyder. Also present: Ernest & Nancy Finney, Vickie Tenney, and Rebecca Wilkerson.

Consent Calendar:

- A. Approval of the Agenda: Rae suggested that the board move item 6c before 5c because item 6c (the renewal of the bookkeeper's contract) would directly impact item 5c (the budget)
- B. Reading and approval of the minutes for the Regular meeting dated September 13th and the Special meeting dated September 27th.
- C. Approval of Treasury Report and Claims for September 2016 and corrected August report.

Motion made to approve the Consent Calendar with one change to the Agenda, one correction to the September 13th minutes, and the corrected August Treasury Report by Robbin, Madeleine second. Ayes: Arbogast, DeWeese, Mehrmann, Hamb. Nays: 0. Absent: Tenney Abstain: 0 Vacant: 0. Motion Passed

Public Response Time: none

Information/Discussion Items:

Correspondence: none

Water Test Results: September Water Test results: Treated was absent, Raw: 2.0 total coliform, E.coli absent. Rae showed the board and the public the results of the lead and copper tests performed by Kramer. Leslie asked if the test results from another household would be any indication of his household's water quality. Rae and Bruce explained that the test is on the demand side from meter to household, so there is no way to know from looking at another household's results. Rae said she could put the water test information into the next customer newsletter.

President's Report: Report attached to these minutes as included in the agenda packets.

Water Treatment Operator Report: Bruce said that a replacement compressor was late in coming because the company that sells them sent the wrong one. The company has since sent the right one and is going to pay return shipping on the incorrectly shipped compressor. There was a discussion about the warranty on the compressor so Bruce can replace the backup compressor. Bruce said that a water leak was discovered by a customer for another customer but the leak has not been fixed yet but he will check on that customer's water meter to inspect the meter and the supply and demand sides of the water pipe.

Historical Church/Library Report: Rae asked the board to approve a motion for the Concert happening on the 5th of November.

Motion made to approve the Concert at the Historical Church on November 5th by Madeleine, Robbin second. Ayes: DeWeese, Mehrmann, Hamb. Nayes: 0. Absent: Tenney Abstain: Arbogast Vacant: 0. Motion Passed

Robbin said that she has General Election information packets available at the Library for those interested

Park Report: the Mosaic project is on hold until spring Sierra County decided to let the artists come up here before they sign the indemnification agreement to streamline the process. Rae wants to hold a community wide meeting to get input on the design. Bruce had a question about the plan for a water fountain at the park and Rae said that she had contacted the PG&E subcontractor and sent them the list of priorities for the park. The District almost has enough money to buy a frost-proof ADA approved water fountain for the park. Rae tried to see if she could combine the mosaic project and the fountain project together but the donor wants a wall to do it on. Rae requested help finding tree donations for the park for shade.

Board member or special committee reports: None

Planning project update: Planning project update as attached to these minutes. Since that report was written, the Drill is stuck because gravel has collapsed around it. Hopefully this hole is not lost like the last one.

Unfinished Business:

A. Customer accounts/billings/disconnects: There were 8 shut off notices mailed on September 15th, all paid.

B. Ordinances, Policies and Procedures: update Policy #4 to coincide with new shut-off notice schedule.

Motion to update Policy #4 made by Robbin second Tobyn Ayes: Arbogast, DeWeese Mehrmann, Hamb. Nayes: 0. Absent: Tenney Abstain: 0 Vacant: 0. Motion Passed

6C: Review and Renewal of Bookkeeping contract for Edda Snyder. After discussion of the terms of the contract the Board made a motion to approve the contract "as is" through 6/30/17

Motion to approve the Bookkeeping contract for Edda Snyder made by Madeleine second Tobyn second. Ayes: Arbogast, DeWeese, Mehrmann, Hamb. Nayes: 0. Absent: Tenney Abstain: 0 Vacant: 0. Motion Passed

5C. Adoption of Final Budget for Fiscal Year 16/17 and review of FY 15/16 audit results. After going through the whole budget, the Board made a motion to approve it with a change to the administrative fee for running the Library at the historical church

Motion to approve a \$120 increase per year to the administrative fee for the Library made by Madeleine, Robbin second. Ayes: Arbogast, DeWeese, Mehrmann, Hamb. Nayes: 0. Absent: Tenney Abstain: 0 Vacant: 0. Motion Passed

(Cont. from previous page.)

Motion to approve the Final Budget for Fiscal Year as amended 16/17 made by Madeleine second Robbin second. Ayes: Arbogast, DeWeese, Mehrmann, Hamb. Nayes: 0. Absent: Tenney Abstain: 0 Vacant: 0. Motion Passed

New Business:

- A. Acceptance of audit report After discussion the Board made a motion to accept the audit for Fiscal Year 15/16
Motion to accept the audit for the FY 15/16 made by Tobyn, Robbin second. Ayes: Arbogast, DeWeese, Mehrmann, Hamb. Nayes: 0. Absent: Tenney Abstain: 0 Vacant: 0. Motion Passed
- B. Access to locked areas: after discussion about direction vs management the Board made a motion to authorize the WTO to make decisions regard who has keys to what.
Motion to authorize the Water Treatment Operator with the responsibility to decide who has keys to locked areas owned by the district made by Robbin, Madeleine second. Ayes: Arbogast, DeWeese, Hamb. Nayes: 0. Absent: Tenney Abstain: Mehrmann Vacant: 0. Motion Passed
- C. This item was already concluded on page 2 of these minutes.
- D. Event at Bucket Club Property Vickie asked if the Bucket Club property was covered under the Board's insurance Rae said that it was. Vickie had a second question about serving alcohol at the property or at the concert if there is a need for a permit to do so. Rae replied that as long as it wasn't being sold, no permit is required. The insurance company still needs to weigh in on this.

Next Regular meeting: Tuesday, November 8th 6:00 p.m.

Items for next agenda: Leslie Baker Contract Renewal

There being no further business before the Board, the meeting was adjourned at: 7:40 p.m.

Minutes respectfully submitted by Leslie D. Baker III _____

Alleghany County Water District
Minutes of Special Meeting
Tuesday, October 25th 2016

The meeting was called to order by President Rae Bell Arbogast at 6:05 p.m.

Quorum: Present were Directors President Rae Bell, Vice President Tobyn Mehrmann, Robbin DeWeese, Oregon Burns Tenney V, and Madeleine Hamb. ACWD staff: Secretary Baker was present and took the minutes. Also present: Ernest & Nancy Finney, Vickie Tenney, and Rebecca Wilkerson

Approval of the Agenda: Rae handwrote onto the agenda the planning project update and there are no actions items added.

Motion made to approve the agenda by Robbin, Tobyn second Ayes: Arbogast, DeWeese, Tenney, Mehrmann, Hamb. Nayes: 0. Absent: 0. Abstain: 0 Vacant: 0. Motion Passed

Planning Project Update:

Rae said that a similar problem is happening to the new test well currently being drilled at the Cumberland as what happened to the test hole at the tank and it is throwing off the Planning project timing and budget.

New Business:

A) Motion to lift drought mitigation measures due to recent rains per Ordinance #35

A motion was made to lift drought mitigation measures on November 1st by Madeleine, Robbin second Ayes: Arbogast, Hamb, DeWeese, Tenney, Mehrmann, Nayes: 0. Absent: 0. Abstain: Vacant: 0. Motion Passed

With no further business, the Board Adjourned at : 6:10 p.m.

Respectfully submitted:

Leslie D. Baker III
Board Secretary

ACWD Treasurer's Report

Allegheny County Water District

MAIN ACCOUNT Beginning Balance \$ 6,568.36

Deposits

Date	From:	For:	Amount
10/1/16	Customers	Water Sales	\$ 1,649.57
10/15	Customers	Water Sales	\$ 984.00
10/19/2016	Customers	Water Sales	\$ 452.00
10/24	SWRCB	Planning Project deposit	\$ 8,587.55
10/31	Customers	Water Sales	\$ 833.00

Deposits Total \$ 12,506.12

Expenditures

Ck #	Date	To:	For:	Amount
1045	10/1/16	Bruce Coons	September Bill - WTO	\$ 340.85
			WTO Contract	\$ 250.00
			Mileage	\$ 90.85
5075	10/3/16	AT&T		\$ 16.89
5076	10/3/16	Boden, Klien & Sneesby	Fiscal Year Audit	\$ 2,000.00
5077	10/3/16	Brown's Gas Co.	Propane	\$ 67.00
5078	10/3/16	Cranmer Engineering	Water Tests	\$ 56.00
5079	10/3/16	Ed Snyder	September Bill - WTA	\$ 72.00
5080	10/3/16	HACH	Chemicals	\$ 182.75
5081	10/3/16	Sierra County Tax Collector	Solid Waste Fee - Cumberland	\$ 23.38
5082	10/3/16	Softline Data	Ubmax yearly subscription	\$ 382.50
1046	10/5/16	Postmaster	Stamps	\$ 47.00
5083	10/15/16	Cranmer Engineering	Water Tests	\$ 281.00
5084	10/15/16	Edda Snyder	Aug + Sept Bills - Bookkeeper	\$ 200.00
5085	10/15/16	Leslie Baker	Meetings on 7/28, 8/9, 9/6 & 9/13	\$ 150.00
5086	10/15/16	Marsha Burch	Planning Project Legal	\$ 100.00
EFT	10/19/16	Tri-Counties Credit Card	2 Compressor Motors	\$ 736.55
EFT	10/24/16	PG&E	Pumphouse	\$ 391.81
5087	10/26/16	Affinity	Planning Project Engineering	\$ 3,534.75
5088	10/26/16	Altec	Planning Project Engineering	\$ 4,857.93

Expenditures Total \$ 13,440.41

Ending Main Account Balance \$ 5,634.07

Non-enterprise account Beginning Balance \$ 9,711.25

Deposits

Date	From:	For:	Amount
10/15/16	Sponsors	2016 Concert	\$ 920.00
10/18/16	Sponsors	\$300 Concert + \$100 Donation	\$ 400.00
10/31/16	Sponsors	2016 Concert	\$ 300.00

Deposits Total \$ 1,620.00

Expenditures

Ck #	Date	To:	For:	Amount
EFT	10/24/16	PG&E	Church	\$ 9.54

Expenditures Total \$ 9.54

Ending non-enterprise Account Balance \$ 11,321.71

August 2016 Historical Church/Park Tracking

Historical Church START				PARK START				TOTAL
Date	Income	Expenses	Balance	Date	Income	Expenses	Balance	
July		\$ 9.86	\$ 9,031.85	July			\$ 2,386.87	\$ 11,418.72
August		\$ 9.85	\$ 9,022.00	August		\$ 187.04	\$ 2,199.83	\$ 11,221.83
September	\$ 1,500.00	\$ 10.58	\$ 10,511.42	September			\$ 2,199.83	\$ 12,711.25
October	\$ 1,620.00	\$ 9.54	\$ 12,121.88	October			\$ 2,199.83	\$ 14,321.71
November			\$ 12,121.88	November			\$ 2,199.83	\$ 14,321.71
December			\$ 12,121.88	December			\$ 2,199.83	\$ 14,321.71
January			\$ 12,121.88	January			\$ 2,199.83	\$ 14,321.71
February			\$ 12,121.88	February			\$ 2,199.83	\$ 14,321.71
March			\$ 12,121.88	March			\$ 2,199.83	\$ 14,321.71
April			\$ 12,121.88	April			\$ 2,199.83	
May			\$ 12,121.88	May			\$ 2,199.83	
June			\$ 12,121.88	June			\$ 2,199.83	
Hist. Church BALANCE			\$ 12,121.88	PARK BALANCE			\$ 2,199.83	\$ 14,321.71
							Loan to main acc	\$ (3,000.00)
							Actual Checking balance	\$ 11,321.71

ALLEGHANY COUNTY WATER DISTRICT COUNTY OF SIERRA, STATE OF CALIFORNIA

BYLAWS

Introduction: Alleghany County Water District (ACWD) was incorporated on March 8, 1939. County Water Districts are regulated generally by the applicable portions of the California Code of Regulations and specifically by California Water Code Division 12 Section 3000 through 33901.

The establishment of these bylaws arises out of a practical need to separate the duties and responsibilities of how the board governs itself from the Ordinances of the district. Up until this time all rules and regulations of the district including how the board governs itself have been included in the ordinances.

With the adoption of these bylaws; matters pertaining to how the board governs itself and oversees staff (as well as staff duties and responsibilities) shall be covered by either the Bylaws or the Policies and Procedures of the District. If no Bylaw or Policy is in place for a matter that is written into the existing ordinances, then the ordinance shall hold sway. Reasonable effort will be made to rescind ordinances that are replaced by either these bylaws or district policy in a timely manner. Attachment A of these bylaws shall list the date of adoption of these bylaws, the dates of any amendments, along with a list of rescinded ordinances including rescission date.

ARTICLE I DIRECTORS, TERMS OF OFFICE, QUALIFICATIONS, ETC.

- 1.) **Membership of Board.** The Board shall consist of five (5) Members, each of whom shall be a registered voter and resident of the Alleghany County Water District.
- 2.) **Term of Office.** The term of office of each elected member of the Board shall be four (4) years.
- 3.) **Elections:** All elections shall be carried out in conformance with the State of California Code of regulations and shall be combined with the official elections of Sierra County including all notice and deadline requirements. ~~The board shall establish a policy that will detail the election process.~~
- 4.) **Vacancies:** Pursuant to Section 30504 of the California code: "The district shall notify the county elections official of any vacancy no later than 15 days after either the date on which the district board is notified of the vacancy or the effective date of the vacancy, whichever is later." Failure to attend three consecutive **regular** meetings without board notification shall constitute "abandonment" of the position and may result in the board declaring a vacancy.
- 5.) **Replacement of Board member.** The Board, by majority vote, may appoint a qualified replacement to fill in the remaining term of a Board Member who resigns or is otherwise ineligible to continue as a Member of the Board. Vacancies of unfinished terms shall be posted in three conspicuous public places within the district for a minimum of 30 days. The board shall reappoint within 60 days of posting for the vacancy.

ARTICLE VI

The fiscal year of the ACWD shall begin on July 1st and end June 30th of each year.

ARTICLE VII ANNUAL BUDGET

- 1.) **Preparation:** The district shall adopt policies and procedures pertaining to the preparation of the annual budget.
- 2.) **Deadlines:** A preliminary budget for the following fiscal year shall be adopted by June 30th. The final budget shall be adopted by October 1st. Upon adoption, a copy of both the preliminary budget and the final budget shall be sent to the Sierra County Auditor
- 3.) **Budget Hearing:** After the adoption of the preliminary budget and prior to the adoption of the final budget a public hearing shall be duly posted and held for the purpose of engaging the public's input. ~~At the board's discretion a motion to adopt the final budget may be made at the Public Hearing.~~ The public hearing shall be posted at least 10-days in advance.

ARTICLE VIII CONTRACTS

- 1.) No contracts to purchase, sell, lease or convey, nor the conveyance of any real estate owned by the District nor contract to assign or the assignment of any leasehold Interest owned by the District shall be made unless authorized by the Board of Directors at a regular or special meeting.
- 2.) The Board can contract with, or employ, individuals, firms, corporations or other such entities as necessary.

ARTICLE IX BYLAWS

The Bylaws of the District may be amended, added to, or repealed by a majority vote of the Board of Directors at any meeting of the Board of Directors, providing notice of the proposed change or changes is given in the notice of the regular or special meeting.

President's Report

I was not able to get this report finished in time for the meeting packets.

Lead & Copper tests At the last meeting everybody thought it would be a good idea to make the annual lead & copper testing available to all of our customers. We do five tests a year in July, so it would have to be done on a "first-come first-serve" basis. I had said that I would put a note in the next customer update, but since we won't be doing it again until July of 2017 I am holding off for now. I put a note on the calendar to do it when we send out the CCR (Consumer Conf. Report) in May or June.

Income Survey: Last I checked they were still short one survey. They are waiting until Monday the 14th then they will default which means they add the highest one back in to get the required 90% return.

Payment Drop Box: I have not had time to work in this. If anybody else wants to be in charge of this project please speak up.

Money

A comment was made at the last regular meeting that the district is paying people to do jobs that used be done by volunteers with the insinuation that we are spending more money on personnel. Please look at the final budget as adopted last month. Prior to last year the district was paying \$4,800 for administration alone. Last year the district paid \$1,115 for administration which was \$3,685 less than the prior year. The FY 16/17 budget has \$2,000 dollars allocated to administration which is \$2,800 less than what was being paid in the past. The district did spend more money last year on the water operation labor, but even with that increase the district is spending less on total labor than it was in the recent past. FY 14/15 total labor costs = \$10,003 compared to FY 15/16 total labor costs = \$7,451 **savings: \$2,552** FY 14/15 total labor costs = \$10,003 compared to the FY 16/17 budget amount of \$8,160 **savings \$1,843**

The area where the district IS spending more money is on compliance. This is one of those "catch-22s", the district would not qualify for grant funding if it was not in compliance with both standard accounting practices and the state of California Water Regulations. The district did spend a considerable amount of money over the last two-years catching up on our overdue water tests. If we did not do that we would have gotten more citations (they gave us one) and we would not qualify for funding from the State. The audit expense of \$2,000 also is necessary to remain in compliance. The last time that I checked, both the Downieville and Camptonville Water Districts were paying more than twice as much for their audits as ACWD is paying.

Agenda item 6c

As you can see on the October treasurer's report we had \$5,634.07 in the main bank account at the end of October. \$3,000 of this money is on "loan" from the non-enterprise account, so the actual amount that belongs to the water operation is only \$2,634.07. We may or may not be able to make the loan payment of \$3,390 due on December 1st without dropping the total account balance below \$2,500. (If the balance falls below \$2,500 there is a \$10 monthly bank charge). I did talk to the PG&E subcontractor working on the sub-station about submitting their water usage for billing this month so that we can get that billed. He said he would do that. It is going to be close. November and December are our worst months for cash flow and January is usually the best month.

Planning Project Update:

As most of you saw in the customer update the casing was installed in well #2 on Oct. 28th. Last week an eight-hour pump test was done to clean out the well and get the water samples for the water quality testing. The well is producing 15 Gallons per minute. We should get the water quality test results sometime this week or early next week with the holiday weekend.

There was a long conference call on Friday the 4th with all involved parties. As a result of this call the State did approve trying a different drilling method back at the tank site, but water quantity is still a concern. The problem with mud rotary drilling (the other drilling method) is that it can clog water bearing rock fractures. The new hole at the water tank is being referred to as hole 1B and it is 44 feet away from the first hole. Because the volume of well #2 does not meet the minimum goal of 20 GPM the State has approved funding for a 3rd location (They do not consider the second hole at the tank site as a 3rd location). The hydrogeologist recommended trying the South end of town in hopes of hitting geology and water production similar to the Arbogast well. The only suitable location that we were able to identify is in the area of the corner of Footes Crossing and Miners Street. It is easily accessible and close to the water main. The property is owned by Mike Miller and he is willing to let us put a well there. Before the test hole can be drilled Mike would have to sign a letter stating that if the well is brought into production he will grant an easement to the Water District. The state will not put a well on private property without all of the required easements in place. Essentially the well would be the property of the water district. IF anybody has an idea of another location at the South end of town that is not near any houses or septic tanks and that can be accessed by a drill rig please let us know. Please see the attached technical memo from the Hydrogeologist explaining why they recommend the South end of town for the 3rd location. Time is of the essence as the drillers are anxious to get out of here before the weather changes, so the hope is to get a permit in place for the 3rd location by next week.

During the conference call I asked Pete Stamas if we could split the water tank off into its own construction project so that it will not be bogged down by the water well project. He said "Absolutely" and thought it was a good idea. If I understood him correctly, this will also enable us to push some of the engineering expense for the water tank design to the new funding agreement freeing up more money for the wells. He said that he would start working on the new funding agreement for the tank construction right away. (Finally some good news. Right?)

The planning project completion date is being extended from December 1, 2016 to July 1, 2017. The well drillers are being granted an extension to the end of November.

"Funding for this project has been provided in full or in part through an agreement with the State Water Resources Control Board. California's Drinking Water State Revolving Fund is capitalized through a variety of funding sources, including grants from the United States Environmental Protection Agency and state bond proceeds. The contents of this document do not necessarily reflect the views and policies of the foregoing, nor does mention of trade names or commercial products constitute endorsement or recommendation for use."



November 8, 2016

Job No. 8637001

Ms. Rae Bell Arbogast, President
Alleghany County Water District
P.O. Box 860
Alleghany, CA 95910

Dear Ms. Arbogast:

Subject: ACWD – Test Wells Project – Selection of Site #3 – Technical Memo

The Division of Drinking Water (DDW) has required that the District have system redundancy of a minimum of 20 gallons per minute (gpm). Following the results from drilling at Site #1 (Tank Site) and Site #2 (Cumberland Site), Alleghany County Water District (District) has selected a third test well site in an attempt to meet their project objectives for water capacity, redundancy, and quality. Site #3 is located south of the intersection of Miners Street and Foote Crossing Rd, on a privately-owned parcel by Michael Miller. The primary reasons the District has selected this location are listed below:

- Drilling at the Tank Site revealed that a well could potentially produce 20 gpm; however, the Well #1 was not constructed due to borehole stability issues from a shallow loose, poorly-cemented sand and gravel layer from 140 to 160 feet. The drillers are currently working on Well 1B at the Tank Site using drilling methods that should help stabilize the borehole, until this formation is stabilized and secured.
- Drilling at the Cumberland Site was successful, and the completed Well #2 indicated that this site could produce 15 gpm of water supply to the District (water quality results are pending). However, Well #2 cannot be used solely to meet water system demand and DDW redundancy requirements.
- Site #3 has ideal access for the drilling rig and construction equipment. The site is relatively flat, open space and is located near powerlines and the District's water main. This helps reduce construction costs associated with equipping the well with a pump, piping the water into the system, and general Operations and Maintenance (O&M) costs.
- Geologic data indicate that Site #3 is located near the contact between (from younger/shallower to older/deeper): Tertiary volcanics; Eocene river deposits (gold-bearing quartz gravels); Jurassic to Paleozoic ultra-basic rocks (chiefly serpentine); Kanaka formation (chert, conglomerate, slate and greenstone); and the underlying Tightner Formation (green schist and limestone lenses) (source: Ferguson and Gannett, 1932, Geologic Map of the Alleghany Area, USGS Professional Paper 172, Plate 1).
- Although Site #3 appears favorable in regard to site accessibility, the water quality and quantity are currently unknown at this site. A test well will help confirm the water production capabilities and water quality at this site.

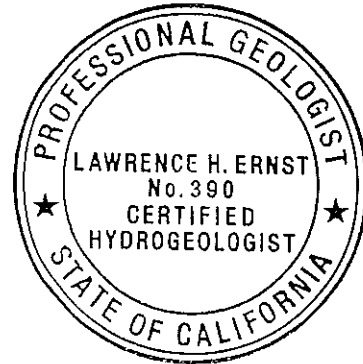
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- If a public drinking water well is determined feasible at Site #3 in regard to capacity and water quality, it could be used in conjunction with Well #2, and possibly Well 1B, to help meet the District's objectives and meet DDW's redundancy requirements.

If you have any questions or require additional information, please call me at (916) 341-7447.

Lawrence H. Ernst

Lawrence H. Ernst, PG, CEG, CHG
Principal Hydrogeologist



	14 - 15 Actual	15 - 16 Actual	BUDGET FY 16- 17
Ordinary Income/Expense			
Income			
4000 · Operating Income			
4100 · Water Sales	26,681	27,187	28,920
4130 · Customer Fees	591	449	200
4200 · Property Tax Revenue	4,820	4,682	5,000
Total 4000 · Operating Income	32,092	32,318	34,120
5000 · Other Operating Income			
5100 · Donations District	100	1,322	310
5300 · Hist. Church Admin. Fee		120	240
5300 · Grant Funding		50,557	
Total 5000 · Other Income	100	52,000	430
Total Income	32,192	84,317	34,550
Expense			
6000 · Water Operation Labor			
6010 · WTO Contract/Labor	3,432	3,877	4,080
6030 · Meter Reader	555	432	480
6040 · Other Labor	1,216	2,027	1,600
Total 6000 · Personnel	5,203	6,336	6,160
6060 · Administration			
6025 · Bookkeeper Contract		500	1,200
6020 · Secretary Contract	4,800	615	800
Total 6060 · Administration	4,800	1,115	2,000
6100 · Professional Services			
6110 · Engineering			
6120 · Auditor Fee		2,000	2,000
6130 · Legal Fees		200	
6140 · Planning Project Fees			
6145 · Election fees			1,000
Total 6100 · Professional Services	0	2,200	3,000
6200 · Utilities			
6210 · Telephone	190	201	200
6220 · PG & E	4,027	3,188	3,500
6230 · Propane	387	101	200
Total 6200 · Utilities	4,604	3,490	3,900
6250 · Mileage	1,122	1,270	1,000
6255 · Depreciation expense	16,667	16,667	
6340 · Water Tests	1,642	2,127	1,412
6350 · System Repair & Maintenance	4,653	3,365	3,876
6400 · Chemicals	1,067	954	1,000
6450 · Permit Fees/Dues	792	965	900
6500 · Office Expense			
6550 · Computer	350	435	383
6555 · Office Supplies	381	649	200
6560 · Postage	412	422	400
Total 6500 · Office Expense	1,143	1,506	983
6700 · Insurance	3,776	4,379	3,531
7000 · Other operating expenses			
7011 · Rent Expense	72	72	72
7020 · Solid Waste Fee	16	19	20
7030 · Penalties		71	
7040 · Bank Service Charges	28	10	37

	14 - 15 Actual	15 - 16 Actual	BUDGET FY 16- 17
7050 · Misc. Expense		1,195	
7070 · Interest Expense	962	761	650
Total 7000 · Other operating expenses	1,078	2,129	779
Total Expense	46,547	46,503	28,420
QB Net Ordinary Income	-14,355	37,815	6,130
USDA LOAN PRINCIPLE PMNT.	5,818	6,019	6,130
Water Operation "bottom line"	(20,173)	31,796	0
Other Income/Expense (this section is used to track the historical church and park.			
Other Income			
8000 · Hist. Church Income			
8010 · Hist. Church Rental	1,500	1,500	1,500
8020 · Hist. Church Fundraisers			
8021 · Concert Income	2,086	1,352	
8022 · Bricks/books	169	130	
Total 8020 · Hist. Church Fundraisers	2,255	1,482	0
8030 · Donations Hist. Church	257		
Total 8000 · Hist. Church Income	4,012	2,982	1,500
9000 · Hist. Church Expenses			
9010 · Insurance Hist. Church	250	250	250
9012 · Hist. Church Admin & Bank Fees	28	120	240
9015 · Utilities Hist. Church	192	71	200
9020 · Repairs & Maint. Hist. Church	783	272	2,000
9022 · Supplies & Small Equip. Hist. Chu	26	1,105	
9022 · Hist. Church Computer Expense	112		
9030 · Hist. Church Fundraiser Exp.			
9031 · Concert Expense	1,258	512	
9032 · Brick Expense			
9030 · Hist. Church Fundraiser Exp. - Other			
Total 9030 · Hist. Church Fundraiser Exp	1,258	512	0
Total 9000 · Hist. Church Expenses	2,649	2,329	2,570
Net Historical Church income less expe	1,363	653	-1,070
8100 · Park Income			
8110 · Park Fundraisers	151	30	
8120 · Donations Park	198	253	
Total 8100 · Park Income	349	283	0
9100 · Park Expenses			
9120 · Park Improvements	227		
9122 · Park Supplies and Maintenance	324	17	
9125 · Solid Waste Fee Park	125	154	154
9130 · Park Event Expense	200		
Total 9100 · Park Expenses	876	171	154
Net Park income less expense	-527	112	-154
Total Other Income	4,361	3,265	1,500
Total Other Expense	3,525	2,500	2,724
QB Net Other Income	836	765	-1,224
QB Net Income	-13,519	38,579	4,906

NOTE THAT DEFICIT IN "OTHER" WILL BE COVERED BY EXISTING NON-ENT. FUNDS.